

Senate File 140 - Introduced

SENATE FILE 140

BY HOGG

A BILL FOR

1 An Act authorizing a contingent appropriation from the Iowa
2 economic emergency fund and the cash reserve fund.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.55, subsection 3, paragraph a, Code
2 2011, is amended to read as follows:

3 a. Except as provided in paragraphs "b", "0c", and "c",
4 the moneys in the Iowa economic emergency fund shall only
5 be used pursuant to an appropriation made by the general
6 assembly. An appropriation shall only be made for the fiscal
7 year in which the appropriation is made. The moneys shall
8 only be appropriated by the general assembly for emergency
9 expenditures.

10 Sec. 2. Section 8.55, subsection 3, Code 2011, is amended by
11 adding the following new paragraph:

12 NEW PARAGRAPH. 0c. There is appropriated from the Iowa
13 economic emergency fund to the general fund of the state an
14 amount sufficient to reduce or prevent an overdraft on or
15 deficit in the general fund of the state for the fiscal year
16 in which the appropriation is made. The appropriation made in
17 this paragraph shall not exceed an amount equal to ten percent
18 of the combined unobligated and unencumbered balances in the
19 Iowa economic emergency fund and the cash reserve fund on the
20 date the appropriation is made or one hundred million dollars,
21 whichever is less, and is contingent upon all of the following
22 having occurred:

23 (1) The governor projects that the appropriation is
24 necessary to preclude implementation of or to reduce the amount
25 of the uniform reductions in appropriations otherwise required
26 pursuant to section 8.31 to prevent an overdraft on or deficit
27 in the general fund of the state.

28 (2) The governor projects that without the appropriation,
29 the balance of the general fund of the state at the close of the
30 fiscal year will be negative.

31 (3) The general assembly is not in regular or extraordinary
32 session.

33 (4) The governor has issued an official proclamation and
34 has notified the co-chairpersons of the fiscal committee of
35 the legislative council and the legislative services agency

1 verifying the contingencies addressed in subparagraphs (1)
2 through (3) and outlining the reasons why the appropriation
3 authorized in this paragraph "0c" is necessary to prevent an
4 overdraft on or deficit in the general fund of the state. The
5 appropriation amount shall be identified in the proclamation.
6 The effective date of the appropriation is the date the
7 proclamation is published in the Iowa administrative bulletin.

8 If the balance in the Iowa economic emergency fund is
9 insufficient to fund the entire amount of the appropriation
10 made pursuant to this paragraph "0c", there is transferred from
11 the cash reserve fund to the Iowa economic emergency fund the
12 amount of the insufficiency.

13 EXPLANATION

14 This bill authorizes a contingent appropriation from the
15 Iowa economic emergency fund and the cash reserve fund.

16 The bill amends the Iowa economic emergency fund
17 provisions in Code section 8.55 to authorize a new contingent
18 appropriation of up to 10 percent of the available combined
19 balances of the Iowa economic emergency fund and the cash
20 reserve fund or \$100 million, whichever is less, to the general
21 fund of the state. An existing contingent appropriation for
22 a similar purpose may only be made at the close of the fiscal
23 year. The new appropriation is contingent upon the following:
24 the governor projecting that the appropriation is necessary
25 to preclude the governor from ordering an across-the-board
26 appropriation reduction in accordance with Code section 8.31,
27 the governor projecting that without the appropriation the
28 balance of the general fund will be negative at the close
29 of the fiscal year, the general assembly is not in regular
30 or extraordinary session, and the governor verifies these
31 contingencies in an official proclamation which states the
32 reasons why the appropriation is necessary to prevent an
33 overdraft on or deficit in the general fund of the state.

34 The proclamation is required to identify the amount of
35 the appropriation and the appropriation takes effect on the

1 date the proclamation is published in the Iowa administrative
2 bulletin.

3 If the balance in the Iowa economic emergency fund is
4 insufficient to fund the entire amount of the contingent
5 appropriation, the bill provides for a transfer from the cash
6 reserve fund to the Iowa economic emergency fund in the amount
7 of the insufficiency.